

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
NORTHERN DIVISION – BAY CITY

IN THE MATTER OF:

INSPIRED CONCEPTS, LLC,

Case No. 20-20034

Chapter 11

Debtor.

Hon. Daniel Opperman

**ORDER SUSTAINING IN PART AND OVERRULING IN PART
COMMITTEE'S OBJECTION TO SECOND INTERIM ORDER: AUTHORIZING (A)
DEBTOR'S USE OF CASH COLLATERAL (B) ADEQUATE PROTECTION
PURSUANT TO 11 U.S.C. §§ 105, 361, AND 363; AND (C)
PRELIMINARY AND FINAL HEARINGS PURSUANT TO F.R. BANKR. P. 4001**

The Court having entered the *Second Interim Order: Authorizing (A) Debtor's Use of Cash Collateral (B) Adequate Protection Pursuant to 11 U.S.C. §§ 105, 361, and 363; and (C) Preliminary and Final Hearings Pursuant to F.R. Bankr. P. 4001* (“Second Interim Order”) [DN 69]; the Second Interim Order having set a deadline for objections to the Second Interim Order and scheduling a final hearing [Second Interim Order, ¶ 27]; the Court having entered an Order extending the deadline and adjourning the final hearing [DN 82] upon stipulation of Inspired Concepts, LLC (“Debtor”), the Official Committee of Unsecured Creditors (“Committee”), and the U.S. Trustee [DN 81]; the Committee having timely filed an Objection to the Second Interim Order (“Objection”) [DN 95]; the Debtor having filed a Reply [DN 104]; the Court having held a final hearing via telephone on April 14, 2020 (the “Hearing”) at which each of the undersigned participated; and the Court being fully advised in the premises thereof:

IT IS HEREBY ORDERED that

- 1) The Objection is Sustained in part and Overruled in part as set forth in this Order.
- 2) On or before April 28, 2020, Debtor will comply with all reporting obligations under paragraph 16 of the Second Interim Order due up to that date.
- 3) If any payment required under the Second Interim Order has not been timely made without written agreement by the payee, Debtor may not make payments to Equity Principals of Debtor other than the medical benefits and cell phone and automotive expenses as set forth on Exhibit B to Debtor's Reply (and as further modified below). The term "Equity Principals" refers to Jeffrey Neely and Patti Neely.
- 4) Debtor's payment of automotive expenses and travel reimbursements to each of the Equity Principals and other insiders identified on Exhibit B to Debtor's Reply (collectively, the "Insiders") shall be based on the IRS standard mileage rates for 2020, but shall not exceed \$607.07 per month for each individual Equity Principal and \$692.30 per month for each other of the Insiders.
- 5) On or before May 1, 2020, Debtor shall pay all amounts due and outstanding under the Second Interim Order including, without limitation, those obligations under paragraph 11 of the Second Interim Order and to Committee counsel under paragraph 14 of the Second Interim Order.
- 6) Debtor shall have until April 28, 2020 to (a) comply with all production requirements under paragraph 18 of the Second Interim Order, (b) reach an

alternative agreement with the Committee regarding such production, or (c) file an appropriate pleading with this Court stating why such information cannot be produced. The Committee is authorized to file a response to any such pleading.

7) The Final Hearing on the Second Interim Order is hereby adjourned to May 7, 2020, at 10:00 a.m. The hearing will be held telephonically unless otherwise ordered by the Court.

Signed on April 17, 2020



/s/ Daniel S. Opperman

**Daniel S. Opperman
United States Bankruptcy Judge**